

WASHINGTON (November 15) – The House Financial Services Subcommittee on Oversight and Investigations, chaired by Rep. Randy Neugebauer, released the full results of its year-long majority staff investigation into the collapse of MF Global on Thursday.

The report chronicles the demise of the 230-year old commodities brokerage firm, which declared bankruptcy in October 2011. MF Global's failure was the eighth largest bankruptcy in U.S. history and resulted in a \$1.6 billion shortfall in customer funds.

"We conducted this investigation because MF Global customers deserve to know how and why their funds went missing; market participants deserve to know whether regulatory lapses have been identified and will be corrected; and taxpayers deserve to know that regulators are being held accountable so similar losses may be prevented from occurring in the future," said Chairman Neugebauer.

"Despite the promise of Dodd-Frank that regulators would work together, what the Subcommittee's investigation found is there was no meaningful coordination among the regulators who were responsible for the supervision of MF Global," said Financial Services Committee Chairman Spencer Bachus. "This left each regulator with an incomplete understanding of the company's financial health – and MF Global's customers paid the price. This, once again, raises the question of whether regulators are so preoccupied writing hundreds of new rules that they're missing the basics like safeguarding customer funds and protecting investors from financial frauds."

The Subcommittee staff's investigation of MF Global involved three hearings, more than 50 witness interviews, and the review of more than 243,000 documents obtained from MF Global, its former employees, federal regulators and other sources.

The report can be viewed [here](#) and online at www.financialservices.house.gov (in the "Spotlight" section).